



February 20, 2001

1312 East Empire Street
ILLLARA
Bloomington, IL 61701

Mr. Jon Feipel
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

Dear Mr. Feipel:

Attached are documents comprising Verizon's final report pursuant to Condition #2 of the Commission's Order in Docket No. 98-0866 regarding the merger of Bell Atlantic/GTE. Merger Condition #2 states "BA/GTE shall participate in a collaborative process with the Commission and CLECs to tailor GTE's proposed OSS measurement, reporting and incentive plan, as described in the record, to Illinois' needs. The collaborative process must also result in a recommended dispute resolution methodology, including Commission enforcement policies. The collaborative process should commence within 30 days of merger closure and should be completed within 6 months of commencement."

In compliance with the Commission's Order, the Verizon OSS Collaborative ("Collaborative") started with an initiating conference call on July 20, 2000. Meetings were held on:

August 2 and 3, 2000
August 28 and 29, 2000
September 26 and 27, 2000
October 24, 2000
December 5, 2000
January 11, 2001

Sam McClerren of the ICC Staff led the meetings and maintained the meeting minutes. CLEC participants were McLeodUSA, WorldCOM, AT&T, and the Illinois Rural Competitive Alliance. Minutes for these meetings, and other information about the Collaborative can be found on the ICC Web Site at <http://www.icc.state.il.us/icc/tc/bg.asp>. The parties also held telephone conferences and shared documentation throughout the Collaborative.

Because the required Collaborative completion date, six months after commencement, was Saturday, January 20, 2001, the Collaborative participants, including the ICC Staff representative, agreed that the official ending date would be the following Monday, January 22, 2001. My letter to you dated January 22, 2001, informed you of Verizon's compliance with Merger Condition #2 and further advised that the Verizon Final Collaborative Report would be issued February 20, 2001.

The attached Verizon Final Collaborative Report ("Final Report") consists of the following documents:

Carrier-to-Carrier Guidelines (including Performance Measures)
Carrier-to-Carrier Guidelines - Associated Activities
Performance Assurance Plan (the Incentive Plan)

Throughout the Collaborative, the participants exchanged views on many areas of concern. Verizon incorporated compromises on many issues in the resulting OSS plan tailored specifically for Illinois. On February 7, 2000, Verizon shared an initial draft of the Final Report with Staff and CLECs. On February 14, 2001 the parties responded to Verizon with their Comments. Verizon's Final Report includes the following revisions since the draft was issued:

- ?? Amendment to Measure 40 of the Carrier-to-Carrier Plan to provide reporting of results in Caged, Cageless, Shared-Cage, Sub-Lease and Adjacent physical collocation categories as well as the virtual collocation category.
- ?? Amendment to Measure 41 of the Carrier-to-Carrier Plan to provide reporting of results in Caged, Cageless, Shared-Cage, Sub-Lease and Adjacent physical collocation categories as well as the virtual collocation category.
- ?? Amendment to the language addressing "completions" contained in the Notes section of the Carrier-to-Carrier Plan.
- ?? Amendment to the "End Office Switching" definition contained in the Carrier-to-Carrier Plan - Associated Activities document.

Verizon is prepared to begin reporting on the Performance Measures contained in the Carrier-to - Carrier Guidelines, as described in the attached document, no later than November 20, 2001. The Performance Assurance Plan's first "performance year" will begin in April 2001. Verizon will issue monthly reports under the Performance Assurance Plan with the first calculation of remedies coming after the June performance month, on approximately July 25, 2001. The first possible payments under the plan would be paid within 30 days of reporting the results.

Verizon appreciates the efforts of Illinois Commerce Commission (ICC) Staff and the CLECs in this process. Although all participants' requests and positions could not be included in the end product, the collaborative was characterized by good faith negotiations. Verizon's Final Report presents a plan for Illinois OSS in the Verizon service area, consistent with the Commission's requirements in the October 29, 1999 Order in Docket No. 98-0866.

If you have any questions, please contact Greg Smith at 309.663.3345.

Very truly yours,

James R. Hargrave
Assistant Vice President-
Public Policy & External Affairs

C: Mr. Charles Fisher – Illinois Commerce Commission
Mr. Gene Beyer – Illinois Commerce Commission
Mr. Sam McClerren – Illinois Commerce Commission
CLEC Collaborative Participants via e-mail attachment